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HEALTH SERVICES RESTRUCTURING COMMISSION

# Rural and Northern Hospital Networks

# Network 17 Brant/Norfolk

March 1999

This report describes the Health Services Restructuring Commission's (HSRC) intended approach for rural network formation in Brant County and the Norfolk portion of the Haldimand-Norfolk county, the Brant/Norfolk network.

Dan Ross is the lead commissioner of this review.

In June 1998, the network that the HSRC identified for Brant and Norfolk portion of the Haldimand-Norfolk counties consisted of the following hospitals with the secondary and regional referral hospital identified as the Brantford General Hospital and for tertiary referrals to both Hamilton and London.

The hospitals considered in this review are:

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| Brantford General | Brantford |
| Norfolk General | Simcoe |
| The Willett | Paris |

The structure of this report is as follows:

**Section A** **Introduction and Background**
Identifies the unique issues related to the provision of health care in rural and northern communities and the HSRC principles for restructuring in these communities.

**Section B** **Community Overview and Report on Progress to Date**
Provides an overview of the community and the progress made to date in restructuring health services.

**Section C** **HSRC Approach to Restructuring in Rural and Northern Communities**
Describes the process for network formation and the responses received from the community regarding the proposed networks.

**Section D** **Network Goals, Objectives and Tasks (Terms of Reference)**
Provides an overview of the goals and objectives of the network participants. The tasks that are required to meet these goals and objectives and options to facilitate decision making are included.

**Section E** **HSRC Conclusions**

**Appendices:**

1. **Network Map**
2. **List of Rural and Northern Networks**
3. **Excerpts from *Examples of Excellence in Primary Care*, Ontario College of Family Physicians**
4. **Organization Models and Definitions**
5. **Network Plan Report Template**

## Section A: Introduction and Background

### HSRC Mandate and Terms of Reference

The HSRC was established in the spring of 1996 as an independent body operating at arm's-length from the government. The Commission's four-year mandate consists of three specific and closely related components:

- To make binding decisions to restructure Ontario's public hospitals;
- To provide advice to the Minister of Health about which health services will require reinvestment as a result of changes to the hospital system and changing needs of the population; and
- To make recommendations to the Minister of Health on restructuring other components of the health care system that will help create a genuine, integrated health services system.

During the first two and a half years, the HSRC concentrated its attention on three primary objectives:

1. The creation of a working hypothesis – a vision of the health services system describing what Ontario needs to meet the challenges of the early 21st century.[1]
2. Restructuring hospitals in larger communities.
3. The establishment of planning guidelines to support recommendations made to the Minister of Health on reinvestments required to support restructuring of acute care facilities namely, home care, long term care, rehabilitation, mental health, and sub-acute care.[2]

### Rural and Northern Hospital Review

In June 1998, the HSRC began the phase of its work related to restructuring hospitals in rural and northern parts of the province. The HSRC's overall goal for restructuring hospitals in rural and northern communities remains the same: to ensure that each of the

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1 *A Vision of Ontario's Health Services System*. Health Services Restructuring Commission, Toronto. January 1997. The vision included a description of the desirable characteristics and overall structure of Ontario's health services system. The vision document was released as a working hypothesis and is being used by the HSRC as the basis for further developing a policy framework and for making recommendations to the Minister of Health on the steps and strategies required to proceed from vision to actual system-building.

2 *Change and Transition: Planning Guidelines and Implementation Strategies for Home Care, Long term Care, Mental Health, Rehabilitation, and Sub-acute Care*. 1998. Health Services Restructuring Commission.

networks will provide optimum accessibility to the highest possible quality of hospital based services in the most cost-effective way for the population served. However, from the beginning of its mandate, the HSRC acknowledged there are unique challenges and conditions in these areas. The HSRC recognized that the methods and procedures developed for restructuring in urban areas would not be suitable for rural and northern hospitals.

The HSRC's approach to restructuring rural and northern hospitals builds on its understanding of rural and northern issues as well as the policy guidelines established by the Ministry of Health in *The Rural and Northern Health Care Framework* [3].

The HSRC developed a number of other underlying assumptions at the outset of its review of rural/northern communities. These include the following:

- *Ontario's rural and northern hospitals should be networked, or formally linked with one another. Member hospitals in each network will collaborate and provide one another with mutual support and enable the achievement of coordination of services at the planning, operational and strategic level.*
- *Each network is to contain a secondary care, referral hospital (referred to as 'C' hospitals in the MoH Rural and Northern Health Care Framework.)*
- *The primary goal of the HSRC's approach to rural and northern hospitals is to ensure that each of the networks will provide optimum accessibility to the highest possible quality of hospital-based services in the most cost-effective manner for the population in all communities served by the member hospitals.*
- *Hospital closures are neither desirable nor feasible. However, there are savings that can be derived through clinical and administrative efficiencies that can be redirected to the maintenance and, where possible, enhancement of patient care programs and services.*

The HSRC is approaching the creation of hospital networks in rural/northern Ontario through a two-stage process:

**Stage 1**

- Confirm network membership
- Facilitate linkage(s) between rural hospitals [within each network] and their major secondary referral hospital.
- Articulate tasks to be achieved by the networks as part of stage 2 activities

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3 Ministry of Health [1997]. The *Rural and Northern Health Care Framework* uses the term regional to describe a system of "networks" or clusters" called Rural and Northern Health Care Networks. It is through these networks that hospitals will be formally linked. As stated in the framework hospitals within about 40 kilometres of each other will be expected to form clusters (networks) with shared administrative, support and clinical functions as well as explore opportunities for common governance. If a hospital cluster is more than about 40 kilometres away from a full service emergency hospital, at least one of the hospitals within the network will have enough secondary resources to provide Level B emergency services with the remainder providing Level A access, triage and transportation.

**Stage 2**

- Networked hospitals to work together to carryout the objectives and terms of reference/ tasks as articulated by the HSRC. Implementation plans and progress reports are to be submitted to the HSRC no later than September 20, 1999.

**Characteristics of Rural and Northern Hospitals**

The HSRC analysis of rural and northern hospitals found characteristics common to these facilities. These characteristics point to the need for development of an approach to restructuring in rural and northern hospitals that is unique to these hospitals.

***Role of Rural and Northern Hospitals***

Hospitals in rural and northern areas play an essential role in the provision of health care to residents in these communities. Rural and northern hospitals often provide the only access to acute care, emergency services and specialty services in the region. They may be the only source for diagnosis and after-hours health care in a community. Because many provide supervised care on a 24 hour basis, they often provide primary health care services as well as performing an important social services role normally provided by a variety of other organizations in urban communities. As a result, residents in rural and northern areas maintain a strong identification with, and loyalty to, the local hospital. The HSRC recognizes the importance of rural and northern hospitals in the provision of health care in these communities. It is anticipated that the formation of networks, whose members will plan for the health care needs of the region as a whole, will facilitate access to high quality primary and secondary services.

***Access to Services***

Ensuring access to health services in rural and northern communities presents unique challenges. The low population density common to many of these communities, means that the variety of services that are available in urban areas are often found only in regional centres located distant to local communities. Many rural areas lack public transportation systems, which creates challenges concerning access to health care services. Ensuring access to services such as emergency health care, obstetrics, surgery, and mental health, and regional programs provided at tertiary or secondary referral centres is an issue of on-going concern in these communities. Access to follow-up services is also an issue of concern. Distances can restrict the availability of follow-up services in the home and/or the ability of the patient to return to the providing institution for follow-up care.

***Low Patient Volumes***

The low population density characteristic of many rural and northern communities contributes to low patient volumes for hospitals and other health care providers, making the provision of quality; affordable and accessible care a challenge. Providing services

that achieve a balance between quality and accessibility requires careful planning and collaboration among all health care providers in the region.

In addition the relatively small size of health care organizations in rural and northern communities leads to high fixed operating costs in relation to the overall budget. It is anticipated that networks of hospitals that plan and provide services for a region will enhance the ability of the network members to realize some economies of scale.

***Recruitment and Retention of Providers***

The shortage of physicians and other health professionals is an on-going challenge for the provision of health services in rural and northern areas. The longstanding difficulties in recruiting and retaining sufficient numbers of physicians and other health professionals has been well documented in a recent report jointly published by the Society of Rural Physicians of Canada and the Professional Association of Interns and Residents of Ontario. This report, *From Education to Sustainability* [4] outlines some of the historic reasons for the difficulties in recruitment and provides a set of recommendations to address the problem.

Two of the challenges encountered by physicians and other health professionals working in remote parts of the province relate to difficulties in accessing educational resources and limited opportunities to confer with colleagues. Telemedicine and other forms of technologies are opening up possibilities to address these challenges. Innovations such as computerized patient records, decision support systems, community health information networks and other technologies should reduce the sense of isolation of health professionals and can also affect the cost, quality and accessibility of health care.

**Conclusion**

The development of networks of hospitals that will plan for the needs of the residents of a region, including the location and scope of services required, will provide some solutions to the challenges presented by the unique characteristics of rural and northern communities

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[4] The Society of Rural Physicians of Canada and the Professional Association of Interns and Residents of Ontario, *From Education to Sustainability: A Blueprint for Addressing Physician Recruitment and Retention in Rural and Remote Ontario*, December 1998.

## Section B: Community Overview and Report on Progress to Date

### Geographic and Population Profile

Brant County includes the city of Brantford and the town of Paris and surrounding townships. Haldimand-Norfolk will also be dealt with in this report specifically around the townships of Nanticoke, Simcoe, Delhi and Norfolk. The total area covered in Brant County includes 1,091 square kilometres. The county of Haldimand-Norfolk covers an area of 2,911 square kilometres. The population of Brant County was 114,564 in 1996 and that of Haldimand-Norfolk was 102,575. The annual population growth rate of 0.7% and 0.8% between 1991 and 1996 for Brant County and Haldimand-Norfolk county respectively, was low when compared to the rate of 1.33% for the province as a whole. The population growth rate is projected at 0.5% in the period between 1995 and 2003 for Brant County and 6.0% for the same period for Haldimand-Norfolk. For the province as a whole the population is projected to increase by 10.0% in this period.

### Profile of Health Services

There are currently three hospitals operating on three sites in Brant County and a similar situation exists in Haldimand-Norfolk. A map of the network that identifies the location of each hospital is found in Appendix 1. In the Brant County Health Services Restructuring Report, May 1998, the HSRC directed closure of the St. Joseph's hospital and that all services in Brantford be consolidated at the Brantford General. Haldimand-Norfolk is being considered for the first time as part of the HSRC's approach to rural and northern hospitals. The hospitals in Haldimand-Norfolk have been divided amongst two separate networks. Norfolk General Hospital relates more strongly to Brantford General and has, therefore, been included in the Brant/Norfolk network. The Haldimand hospitals, on the other hand, relate more closely with Hamilton and will be considered in the Haldimand/Hamilton network. The distance between the Norfolk General and Brantford General hospitals is 35 kilometres, while the additional distance north between Brantford General and the The Willett hospitals is 11 kilometres.[5]

In addition to the hospitals in Brant County, there are 7 long-term care facilities: 6 nursing homes and 1 home for the aged, with 744 beds. Haldimand-Norfolk has 8 long-term care facilities: 5 nursing homes and 3 homes for the aged, with 806 beds. The Brant Community Care Access Centre co-ordinates the delivery of community care services for Brant County's residents and the Haldimand-Norfolk Community Care Access Centre co-ordinates the delivery of community care services for Haldimand-Norfolk's residents.

The Grand River District Health Council was recently re-organized and provides health planning and other support to this network. Public health services are coordinated through the Brant County Health Unit and the Haldimand-Norfolk Health Unit.

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5 GIS Section, EHS Branch, Ministry of Health

It is obvious that consolidation of services has occurred between Brantford General and St. Joseph's hospitals. As per the Commission's directions, acute care services provided at St. Joseph's will be consolidated at the Brantford General hospital. With the establishment of this network, there will be opportunity for further rationalization of programs and services between Norfolk General and Brantford General, especially in relation to programs that are noted to have low volumes of separations in particular programs.

There are formal and informal relationships among the hospitals and other health providers in this network. Norfolk General has a contract with Brantford General for laboratory services. These two hospitals are also developing a plan to better coordinate the mental health needs of residents in the communities served. The Norfolk General Hospital and Norfolk Hospital Nursing Home share administration and support services. The Willett Hospital has a clinical relationship with Brantford General Hospital. The Willett Hospital is in the process of establishing a primary care model, which will serve to better meet the needs of the Paris community. As a result of the May 1998 directions to Brant County hospitals, Brantford General, St. Joseph's and the Willett hospitals are participating in a Joint Executive Committee structure. The process of formalizing this structure is currently underway.

**Progress to Date**

**District Health Council Restructuring Reports**

In December 1997, the then Haldimand-Norfolk DHC developed a hospital restructuring report *Towards a Healthy Future*, which recommended:

- a network for all Haldimand-Norfolk hospitals with Norfolk General as the secondary referral centre
- maintaining all existing hospital boards
- creation of a JEC-like structure which would establish linkages with the Hamilton Health Sciences Corporation.

In July 1998 the Grand River District Health Council submitted a rural and northern communities report, *"Brantford General Hospital, The Willett Hospital and Norfolk General Hospital"* in response to HSRC's request to comment on the proposed network. This report:

- supported the Commission's proposed membership of three hospitals
- recommended a possible alternative that included the three hospitals identified by the HSRC in a network along with the two hospitals in Haldimand
- given proximity of Haldimand hospitals with both Brantford and Hamilton, formal linkages between Haldimand/Hamilton and Brant/Simcoe networks will be needed.
- recommends an expanded JEC approach for integrating services to include Norfolk General with the existing Brant General/Willett JEC; albeit, it is recognized that the current JEC's intensive schedule and time frames will create a significant challenge

- all members of the JEC need to adopt a common view of powers to be vested in the JEC

While a five-hospital network featuring the two Halidimand hospitals, along with Brantford General, The Willett and the Norfolk General hospitals was proposed; the referral linkages for the two Haldimand hospitals are with Hamilton and there are no substantive linkages with the Brantford General Hospital.

## Section C: HSRC Approach to Restructuring in Rural and Northern Communities

The HSRC began its work in rural and northern communities by identifying networks of hospitals. The concept of networks was defined in the Ministry of Health *Rural and Northern Health Care Framework* policy. Networks were identified as a mechanism for addressing some of the common issues regarding access, quality and affordability in rural and northern communities. The first step for the HSRC was to establish the membership of each network.

In June 1998 the Commission sent letters to all hospitals affected by the Ministry's *Rural and Northern Health Care Framework* suggesting whom their network partners should be. The HSRC based its development of the proposed networks on an analysis that considered: where patients live; where patients use local services and where they are referred when they need access to secondary and tertiary services; as well as formal relationships among hospitals. The HSRC also held information sessions for hospitals and district health councils to further discuss the HSRC's proposed process.

A total of 18 networks were proposed (see Apppendix-2), each including a secondary referral hospital. Members of each network were asked to provide their perspectives on a number of issues. Firstly, with respect to the proposed membership, the HSRC asked:

- *Is the membership appropriate – are the right hospitals included?*
- *If not, what hospitals should be added or included in another network?*
- *How should the DHC contribute to network development?*
- *Should referral centres used by the population served within each network be included?*

Secondly, with respect to organization of the network; that is, its policy- and decision-making capacity, the HSRC asked:

- *How should the network operate?*
- *What governance structure(s) make(s) the most sense?*
- *How will the proposed governance structure contribute to broader service integration that will be considered as part of Stage Two?*

For the most part, there was consensus concerning the proposed membership of the networks. It was also evident that a number of networks had made progress while others had begun a process to achieve better planning and coordination of service delivery at the local level. A common theme emerging from the initial feedback from many of the networks was a request for more time to develop or enhance their network relationships and the structures by which the members would linked with each other.

**Overview of Responses**

The HSRC received responses to their invitation to provide feedback. Each of the three hospitals made a submission along with the District Health Council.

***Membership***

The major issues identified regarding network membership included:

- acceptance of the proposed network membership as outlined by the HSRC
- some consideration of inclusion of Hamilton into the network on a contractual or other basis

**Hospital Proposals for Restructuring in Brantford and Haldimand-Norfolk Counties**

The hospitals in the network each submitted a proposal to the HSRC. The highlights of the hospitals' submissions are noted below.

**Brantford General Hospital:**

- supports the Commission's proposed network membership based on existing relationships and referral patterns
- the preferred governance model be the Joint Executive Committee with focus on "planning and operational responsibility", however, this model may be premature based on the undetermined role of The Willett Hospital.
- believes that a contractual relationship "collaboration agreement" between members of the network on strategic and operational planning and clinical service integration will be required.

**The Willett Hospital:**

- supports the Grand River DHC submission

**The Norfolk-General Hospital:**

- supports the proposed network membership
- wishes to work with the network hospitals on a contractual basis until the consolidation of hospitals in Brantford is achieved.

***Relationships and Linkages***

Hospitals were invited to provide feedback on what organizational linkages and decision-making structures should guide the members of the network in their relationship with each other.

In addition to the appropriateness of membership in the network, feedback was solicited on the methods by which hospitals in the network would relate to each other. Hospitals were invited to provide feedback on what governance and decision-making structures should guide the members of the network in their relationship with each other.

Areas of general consensus among submissions received are:

- formation of a JEC as the means to integrate governance and develop common programs and administrative linkages among these hospitals
- development of contractual relationships on administrative and support services as necessary
- inclusion of the Grand River DHC in the network
- both Norfolk General and Brantford General hospitals recommended a contractual agreement between each other until the Brant amalgamation is completed and at which time a new JEC should be formed.

## Section D: Network Goals, Objectives and Tasks

The HSRC supports the concept of networks of hospitals as a means of ensuring that quality health care is provided in an accessible and affordable manner in rural and northern communities. The network's challenge is to identify a governance structure that will allow for collective decision-making among the member hospitals in order to achieve restructuring within the areas served.

The responses from networks have been reviewed by the HSRC. In some cases on-site meetings have been held with network representatives. As a result of the feedback received, and reports on the status of activities voluntarily underway, the HSRC has made some modifications to its original approach.

The HSRC will confirm the membership of the networks and establish their overall goals and terms of reference. The Commission, taking into consideration the MoH *Rural and Northern Health Care Framework* and the voluntary progress that has been achieved by some networks, has developed goals and terms of reference. The specific tasks of the networks have been identified but determining how the tasks will be completed will be a responsibility of each network.

The next step is for the network of hospitals to develop more detailed plans that address specific tasks in putting the network into place. Therefore the HSRC is requesting that hospitals in each network develop implementation plans that will address the type of relationship that they will have with their network members. This plan will outline organizational linkages that the members have developed in the short term. In addition, the plans are to include long-term structures and time frames that are envisioned for the network. An outline of the progress made to date in implementing the short term and long term structures for the network are requested. The plans will also include strategies for sharing of administrative, support and clinical services where appropriate, and determining the roles, and scope of programs, of each of the hospitals in the network.

The plans are to be submitted to the Health Services Restructuring Commission no later than September 20, 1999. A template that should be used in submitting the plan has been developed and is attached as Appendix 5. The HSRC will then review the plans in the context of the objectives and tasks to be completed and provide feedback to the networks. It is recognized that some networks may see advantages to having the HSRC review their plans prior to September 20, 1999.

The specific goals and tasks for the network are outlined below.

**Network Goals**

⇒ To improve access to services for the population served by the network
⇒ To enhance the quality of services provided to the local population by the network hospitals
⇒ To optimize planning and decision-making by the network.

These goals can be accomplished by undertaking the following tasks:

**Network Tasks (Terms of Reference)**

1. To ensure that appropriate organizational processes and structures are in place to facilitate further development of the networks (i.e. sizing, siting, sharing, rationalising services provision). This process to include sizing and siting of:

   - *Acute Services*
     - Secondary Referral Hospitals: The Ministry of Health and the secondary referral hospitals will work together to apply the HSRC benchmarks to these hospital(s) and determine the configuration of services, where required, through the MoH Operating Plan process
     - Rural Hospitals: The network will apply the Ministry of Health/Ontario Hospital Association benchmarks to rural hospitals [6]

   - *Non-acute Hospital Services*:
     - The MoH will work with the networks to apply the HSRC[7]. benchmarks and to estimate the sizing, siting and reinvestments required for non-acute services

2. To explore mechanisms that will foster greater collaboration and linkages between hospitals in the network with a focus on benefits that can be derived from:

   - Sharing of administrative services,
   - Sharing of support services,
   - Establishing stronger clinical linkages and service clusters. This should include but is not limited to:
     - Developing standardized approaches to assess the quality of service provided (including practice guidelines/clinical protocols),
     - Establishing common methods to improve utilization,
     - Developing common credentialling,
     - Providing peer review among the network's members,
   - Developing a common strategic plan that will guide the development of an operational plan to serve the needs of the network and help guide clinical, operation, and financial decisions.

3. To clarify linkages and expectations between network participants with a focus on ensuring access to services at secondary referral centres.

4. To identify linkages with regional referral centres and ensure access to tertiary/quaternary services.

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6 *Rural and Northern Health: Parameters and Benchmarks* Report of the Joint Committee of the Ministry of Health and the Ontario Hospital Association, July 1998.

7 *Change and Transition* Planning Guidelines and Implementation Strategies for Home Care, Long Term Care, Mental Health, Rehabilitation and Sub-acute Care

5. To consider strategies to address common or shared human resource issues

6. To consider strategies to address medical staff and other health professional recruitment and retention strategies.

7. To explore mechanisms for shared or common health information systems.

8. To explore opportunities that may within the network to:

   - Investigate the merits of establishing multi-disciplinary group practice work teams within the hospital or other locations in the network[8]
   - Enhance training/educational opportunities for the education of health professionals.
   - Initiate telemedicine/telecommunication initiatives that will support the needs of the network
   - Investigate the potential of developing stronger partnerships with other health providers and organizations in the network to provide a better continuum of care (i.e., patient centered approach.)

The HSRC will confirm the membership of the networks. The tasks for the network set out by the HSRC lay the foundation for the work to be undertaken by the networks themselves. Each network will be charged with developing appropriate structures that will enable them to complete these tasks.

**Network Options to Facilitate Decision-Making**

It is expected that the proposed goals and tasks for the network can be achieved through a variety of organizational arrangements. There are a number of options that can be considered to help promote greater integration and/or linkages and coordination between and among network hospitals. These options range from organizational models that build upon the status quo to a complete change in organizational arrangements. (See Appendix 4).

Some of the key considerations that the network will need to consider when finalizing the linkages among network members and developing plans for implementation include:

1. **Potential for facilitating decision-making relevant to the Network that will lead to:**
   a) improved quality (i.e. critical mass and clinical coherence)
   b) improved access/accessibility (i.e. population need, service requirements, proximity, patient transfer, tertiary specialized programs)
   c) information sharing

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[8] See Appendix 3 excerpt from *Examples of Excellence in Primary Care*, Ontario College of Family Physicians

d) improved efficiency/affordability (i.e., clinical or administrative efficiency, restructuring savings support services consolidation, reduced overhead costs/better technology)
e) better long term planning and evaluation
f) improved human resource (HR) planning (i.e., allow for network-wide HR planning, recruitment and retention of medical staff)
g) supporting further (vertical) integration/coordination

**2. Implementability of the option including consideration of:**

a) past record of co-operation between/among hospitals (i.e., previous progress in moving restructuring forward)
b) consistency/compatibility with other advancements achieved to date (i.e., consideration of vertical linkages and/or other partnerships established)
c) number of sites
d) degree of consistency with locally-developed solution (vs. imposed solution)
e) acceptability based on the consistency of mission, values (including denominational) and principles of the parties

**3. Manageability of decision-making process**

**4. Geography/population considerations**

***(i.e., proximity, shared service areas, population characteristics, indicators of health status)***

**5. Patient pattern considerations**

**Conclusion**

Analysis of the unique characteristics of the network and the above factors will enable the network to select organizational structures that will ensure that the goals for accessible, high quality and affordable health care are met.

## Section E: HSRC Conclusions

The HSRC confirms that the network membership will include:

- Brantford General, Brantford
- Norfolk General, Simcoe
- The Willett, Paris

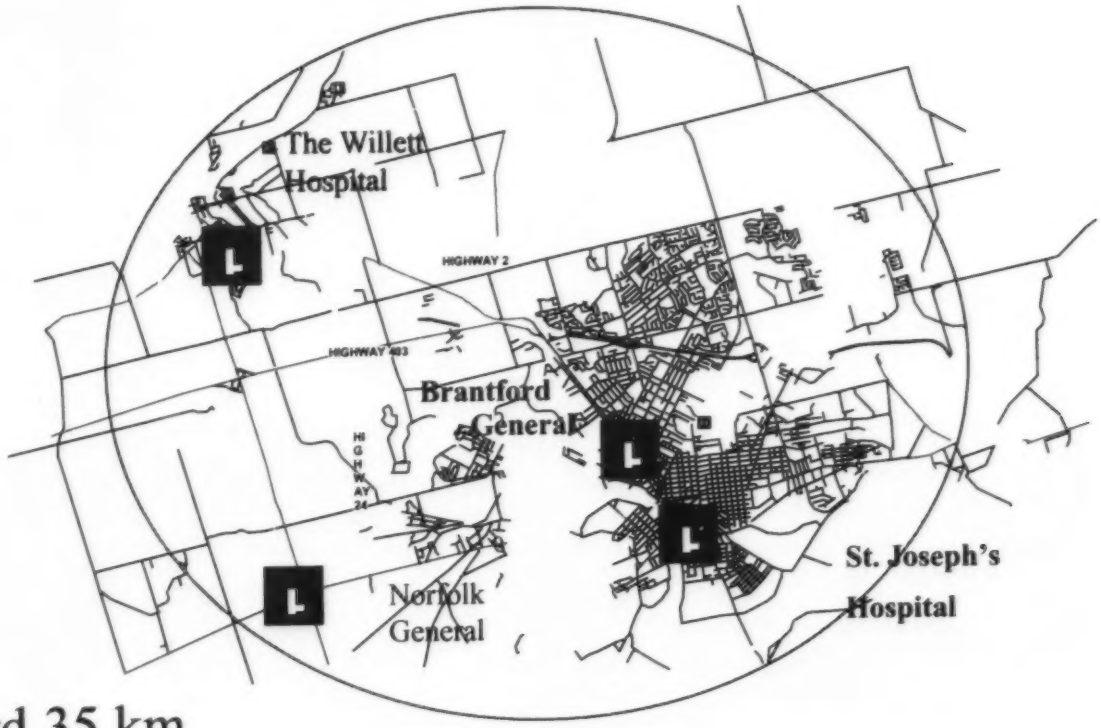
The Grand River DHC and the local CCAC of both counties should be involved in the network. Through the DHC the Network should also develop linkages with Hamilton for tertiary linkages and with the Haldimand/Hamilton Network on common areas of concern/interest.

Based on HSRC's reviews of the submissions, the Brant County Report and other factors, the HSRC expects this network to develop and submit a plan to the HSRC by September 20, 1999. This plan will include the following:

- Consider amending the present Brant County JEC to include Norfolk General Hospital.
- Development of a vision, mission and core values of the network.
- Overall strategic planning for the area served by the network.
- The configuration of programs across sites and siting of non-acute services using planning guidelines.
- Planning for and siting of new programs and services.
- Medical human resource planning and recruitment and retention strategies.
- Strategies for clinical professional recruitment and retention.
- Coordinated and collaborative strategies for delivery of hospital services across the broad community.
- Developing and monitoring quality and access indicators for services.
- Establishing clinical linkages (services and referral mechanisms) with secondary referral hospital(s).
- Strategies for consolidation and sharing of administrative and support services across sites.
- Planning for linked or sharing of clinical or administrative information to achieve coordination of services and continuity of patient care.
- Developing joint mechanisms to inform the communities served on all program and service changes and quality and access indicators.
- Implementing a common or shared information system.
- Strategies for the identification of specific issues relating to the practice of medicine in a rural community and strategies to address the identified issues.
- A dispute resolution mechanism that the network will use to resolve potential disagreement between/among network members.

The final plan developed by the network is expected to address the goals and objectives and the Tasks (Terms of Reference) outlined in Section D. The document should be between 20 to 30 pages long and should follow the template guide contained in Appendix 5. The plan will be reviewed in the context of how the network intends to address the task (terms of reference) outlined.

## Appendix 1: Brant/Norfolk Network #17

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|---|---|
| Simcoe-Brantford | 35 km |
| Paris-Brantford | 11 km |
| Paris-Simcoe | 40 km |

## *Appendix 2*

***List of Rural and Northern Networks***
***Health Services Restructuring Commission***

| **Network** |
|---|
| **Network 1: (Simcoe/Muskoka)**<br><br>South Muskoka Memorial Hospital, BRACEBRIDGE<br>Huntsville District Memorial Hospital, HUNTSVILLE<br>Royal Victoria Hospital, BARRIE<br>Collingwood General and Marine Hospital, COLLINGWOOD<br>Huronia District Hospital, MIDLAND<br>Orillia Soldiers' Memorial Hospital, ORILLIA<br>***Penetanguishene General Hospital, PENETANGUISHENE***<br>***Penetanguishene Mental Health Centre, PENETANGUISHENE*** |
| **Network 2: (Grey/ Bruce)**<br><br>Grey Bruce Health Services, OWEN SOUND<br>South Bruce Grey Health Centre, KINCARDINE<br>Hanover and District Hospital, HANOVER |
| **Network 3: (Wellington)**<br><br>Groves Memorial, FERGUS<br>Louise Marshall Hospital, MOUNT FOREST<br>Guelph General Hospital, GUELPH<br>St. Joseph's Hospital and Home, GUELPH<br>The Homewood Health Centre, GUELPH<br>Palmerston and District Hospital, PALMERSTON |
| **Network 4: (Haldimand / Hamilton)**<br><br>Haldimand War Memorial, DUNNVILLE<br>West Haldimand General Hospital, HAGERSVILLE<br>Hamilton Health Sciences Corporation, HAMILTON |

| Network |
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| **Network 5: (Thames Valley)**<br><br>St. Thomas-Elgin General Hospital, ST. THOMAS<br>Strathroy Middlesex General Hospital, STRATHROY<br>Woodstock General Hospital, WOODSTOCK<br>Alexandra Hospital, INGERSOLL<br>Tillsonburg District Memorial Hospital, TILLSONBURG<br>Four Counties Health Services, NEWBURY<br>London Health Sciences Centre, LONDON<br>St. Joseph's Health Centre, LONDON |
| **Network 6: (Nipissing / Timiskaming)**<br><br>Englehart and District Hospital, ENGLEHART<br>Mattawa General Hospital, MATTAWA<br>West Nipissing General Hospital, STURGEON FALLS<br>Temiskaming Hospital, NEW LISKEARD<br>North Bay General, NORTH BAY |
| **Network 7a: (West Ottawa Valley)**<br><br>Almonte General Hospital, ALMONTE<br>Arnprior and District Hospital, ARNPRIOR<br>Carleton Place and District Hospital, CARLETON PLACE<br>Queensway-Carleton Hospital, NEPEAN<br>Kemptville and District Hospital, KEMPVILLE<br>Perth and Smith Falls District Hospital, SMITHS FALLS |
| **Network 7b: (East Ottawa Valley)**<br><br>Hawkesbury General Hospital, HAWKESBURY<br>Winchester and District Memorial Hospital, WINCHESTER<br>The Ottawa Hospital, OTTAWA |
| **Network 8: (West Champlain)**<br><br>Deep River District Hospital, DEEP RIVER<br>Renfrew Victoria Hospital, RENFREW<br>St. Francis Memorial, BARRY'S BAY<br>Pembroke General, PEMBROKE |

| Network |
| --- |
| **Network 9: (West Algoma)**<br><br>North Algoma Health Organization (Lady Dunn General), WAWA<br>Sault Ste. Marie General Hospital, SAULT STE. MARIE<br>Plummer Memorial Hospital, SAULT STE. MARIE<br>Thessalon Hospital, THESSALON<br>Matthews Memorial, RICHARDS LANDING<br>Hornepayne Community Hospital, HORNEPAYNE |
| **Network 10: (Huron/Perth)**<br><br>Alexandra Marine & General Hospital, GODERICH<br>Clinton Public Hospital, CLINTON<br>Listowel Memorial Hospital, LISTOWEL<br>Seaforth Community Hospital, SEAFORTH<br>South Huron Hospital, EXETER<br>Stratford General Hospital, STRATFORD<br>St. Mary's Memorial Hospital, ST. MARY'S<br>Wingham & District Hospital, WINGHAM |
| **Network 11: (Sudbury Area)**<br><br>St. Joseph's Health Centre, BLIND RIVER<br>Espanola General Hospital, ESPANOLA<br>Manitoulin Health Centre, LITTLE CURRENT<br>St. Joseph's General Hospital, ELLIOT LAKE<br>Sudbury Regional Hospital, SUDBURY<br>***West Parry Sound Health Centre, PARRY SOUND*** |
| **Network 12: (Northwest)**<br><br>Nipigon District Memorial Hospital, NIPIGON<br>Geraldton District Hospital, GERALDTON<br>Manitouwadge General Hospital, MANITOUWADGE<br>Wilson Memorial General Hospital, MARATHON<br>McCausland Hospital, TERRACE BAY<br>Thunder Bay Regional Hospital, THUNDER BAY<br>***St. Joseph's Care Group, THUNDER BAY*** |

| Network |
| --- |
| **Network 13: (Northeast)**<br><br>Anson General Hospital, IROQUOIS FALLS<br>Bingham Memorial Hospital, MATHESON<br>Chapleau Health Services, CHAPLEAU<br>Kirkland and District Hospital, KIRKLAND LAKE<br>Lady Minto Hospital, COCHRANE<br>Notre Dame General, HEARST<br>Sensenbrenner Hospital, KAPUSKASING<br>Smooth Rock Falls General, SMOOTH ROCK FALLS<br>Timmins and District Hospital, TIMMINS |
| **Network 14: (Northwest)**<br><br>Thunder Bay Regional Hospital, THUNDER BAY<br>Lake of the Woods District Hospital, KENORA<br>Riverside Health Care Facilities, FORT FRANCES<br>Dryden District General Hospital, DRYDEN<br>Red Lake Margaret Cochenour Memorial Hospital, RED LAKE<br>Sioux Lookout District Health Centre, SIOUX LOOKOUT<br>Sioux Lookout Zone Hospital, SIOUX LOOKOUT<br>Atikokan General Hospital, ATIKOKAN<br>***St. Joseph's Care Group, THUNDER BAY*** |
| **Network 15: (Alliston/Newmarket)**<br><br>Stevenson Memorial Hospital, ALLISTON<br>York County Hospital, NEWMARKET |
| **Network 16: (Cornwall Area)**<br><br>Glengarry Memorial Hospital, ALEXANDRIA<br>Cornwall General Hospital, CORNWALL<br>Hotel Dieu, CORNWALL |
| **Network 17: (Brant / Norfolk)**<br><br>Norfolk General Hospital, SIMCOE<br>Brantford General Hospital, BRANTFORD<br>Willett General Hospital, PARIS |
| **Network 18: (Dufferin / Northwest GTA)**<br><br>Dufferin-Caledon Health Care Corporation, ORANGEVILLE<br>Northwest GTA Hospital Corporation, BRAMPTON |

# Appendix 3

**Examples of Excellence in Primary Medical Care as Provided by the Ontario College of Family Physicians**

The HSRC received a brief entitled *Examples of Excellence in Primary Medical Care* from the Ontario College of Family Physicians outlining some primary care models in Ontario. Some examples cited in the brief include:

- Sioux Lookout: Small Community with a Hospital
- Thames Valley: Small Community without a Hospital
- North Muskoka / East Parry Sound: Larger Community with Regional Integration of Services
- Prescott-Russell: Hospital-based model in Rural Eastern Ontario

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# Appendix 4

## Organizational Models and Definitions

## Amalgamation

***Working Definition***

- Two or more separate hospital corporations joining together and continuing as one corporation in accordance with the provisions of the *Corporations Act* and the *Public Hospitals Act*.

***Essential Elements of Hospital Amalgamation***

- Results in a corporate entity (permanent structure)
- Must be full compliance with provisions of *Corporations Act* in order to amalgamate
- Must receive approval of Minister of Health, Public Guardian and Trustee and Ministry of Consumer and Corporate Relations
- Can result in one corporation absorbing the other or in the emergence of a merged corporation with new objects, arising out of the amalgamating corporation.

**Subsidiary Governance Model**

Subsidiary governance is built on models more prevalent in the private sector, but is quite consistent with the legal requirements of the Public Hospitals Act and other applicable Ontario legislation. A public hospital may carry on some of its activities through a subsidiary corporation, whether the subsidiary is incorporated as a non-share capital corporation under the *Corporations Act* (Ontario), under the *Business Corporations Act* (Ontario) (OBCA), the *Canada Business Corporations Act* (CBCA) or under other statutes.

In order for the subsidiary to be organized as a non-share capital corporation the *Corporations Act* provides that the subsidiary must have "objects that are of a patriotic, religious, philanthropic, charitable, educational, agricultural, scientific, artistic, social, professional, fraternal, sporting or athletic nature or that are of any other useful nature."[14] The impetus to create a subsidiary structure must be a compelling policy requirement for separate but related governance.

The subsidiary facility can have its own budget and operations separated from the parent hospital by agreement and bylaws of the parent hospital. It is a basic principle of corporate law that the board of directors of a subsidiary owes fiduciary duties to the subsidiary, and not to the parent corporation which controls the subsidiary. Therefore, the subsidiary boards of directors can represent the interests of the particular community on the subsidiary board. The drawbacks to the creation of subsidiaries, which must be weighed against the benefits, relate to the sharing of the mission, goals and core values of

[14] *Corporations Act*

the parent corporation. In program-specific subsidiaries the loyalty to the particular program may prove to be an impediment to the unity of focus of the parent corporation. In the context of broad amalgamations of various organizations, the creation of subsidiaries may actually perpetuate the lack of a unified vision that the amalgamation was established to address. Such divided loyalties will always result in tensions and will require patient co-operation between the parent and subsidiary boards.

Subsidiaries must have real activities to govern and meaningful decisions to make. Actual decision-making authority must be delegated from the parent corporation to the subsidiary. If their decision-making is restricted to inconsequential aspects of governance, the question of why the subsidiaries were created in the first instance must be addressed.

**Standing Committee Model**

If policy reasons exist for preserving particular foci respecting local or special interests, then the governance model created must facilitate the continuing focus on these issues. In the case of smaller hospitals or particular services or clinical programs, fears of attrition of resources to other missions or priorities of the corporation or lack of attention to the interests of the particular community or program area are real. To address the particular requirements of these communities or programs there are mechanisms other than the creation of subsidiary corporations that will guarantee these interests a voice at the board of the amalgamated hospital, ensuring their unique service needs are addressed. The "board committee" mechanism is one such option.

## Alliance Agreement

***Working Definition***

- When two or more hospitals agree by contract to combine funding and management, clinical and/or support services in order to enhance quality and improve the delivery of hospital services through consolidation, without creating a corporation.

***Essential Elements of an Alliance Agreement***

- the purpose and scope of the alliance
- where its principal office will be located
- the term i.e., duration of the agreement
- the amount of any capital contributions to the alliance by each participant
- accounting procedures and financial and other records
- dissolution and liquidation
- dispute resolution mechanisms
- management of the alliance, including who has decision-making authority and the duties of each participant

## Joint (Executive) Committees (JEC)

***Working Definition***

- An overarching body comprising representatives of the governing boards of two or more participating hospitals, that has authority to make decisions relating to the operations of the participating hospitals in order to facilitate integration and linkages among hospitals, the services they provide, the programs they operate and their clinical, professional and administrative personnel.

***Essential Elements of JEC***

- Participating hospitals continue to exist as autonomous entities, subject to delegation of certain authority to JEC's
- Explicit delegation of decision-making authority related to specific issues by the governing boards of the JEC
- Relationship should be created by way of written agreement/contract and ideally should set out by-laws or protocols with respect to conduct of affairs and operations of JEC, including accountability and reporting requirements with respect to governing boards.

## Contract (Agreement)

***Working Definition***

- [Except when referring to an Alliance Agreement] the term contract should be used to refer to a written, legally enforceable document setting out the nature of the [integrated] relationship between two or more hospitals, including the contractual rights and duties of each party and any remedies and penalties for breach of such duties.

***Essential Elements of a Contract/Agreement***

- Meet legal test for valid contract e.g., offer, acceptance, consideration, consensus
- Set out exact nature of contractual rights and duties of each party as well as remedies and penalties for breach thereof

***Management/Admin Contract***

- A contract between two or more hospitals, setting out the contractual rights and duties of each party relating to shared or integrated administrative and/or management personnel and/or services, including, without limitation, the CEO, the management team, information technology and professional personnel and/or services.

***Support Services Contract***

- A contract between two or more hospitals, setting out the contractual rights and duties of each party relating to shared or integrated support personnel and/or services, including, without limitation, security, purchasing, housekeeping, food services and laundry personnel and/or services, but excluding laboratory services.

***Clinical Services Contract***

- A contract between two or more hospitals, setting out the contractual rights and duties of each party relating to shared or integrated clinical personnel and/or services, including, without limitation, medical, dental, nursing, psychology, social work, pharmacy, occupational therapy and physiotherapy personnel and/or services.

## APPENDIX 5

### *RURAL/NORTHERN HOSPITAL RESTRUCTURING*
### REPORT TO THE HEALTH SERVICES RESTRUCTURING COMMISSION
### *September 20, 1999*

1. One report shall be submitted on behalf of the network. The report shall conform to the following:

- The title page shall include the full legal name of the organization, and the name, full address, postal code, telephone and fax number of the person with whom the Commission may correspond;
- A summary not exceeding 350 words shall be included, setting-out the significant points that are addressed in the submission;
- The following specifications shall be observed:
  - *Font: 12 point*
  - *Page size: 8-1/2" X 11", single-sided*
  - *Margins: 1 inch on all sides*
  - *Line spacing: 1-1/2*
  - *Maximum pages: 30 including summary and appendices; plus title page*
  - *No of copies: 5 to be submitted*
  - *The report should be signed by the Board Chairs of the Network hospitals.*

The body of the report should contain five sections.

**Section I: Introduction**

This section will include a statement of the vision, mission and core values of the network.

**Section II: Organizational arrangements/linkages of the network**

Section II should describe the organizational arrangements and linkages between the hospitals. The intent is to determine how the network has addressed the tasks outlined in Section D of this report. The key tasks to be discussed in this section pertain to the following:

- *To ensure that appropriate organizational processes and structures are in place to facilitate further development of the networks.*
- *To clarify linkages and expectations between network participants with a focus on ensuring access to services at secondary referral centres.*

In some networks, there may be transitional or short-term arrangements made between hospitals as an interim measure. Therefore, this section should include the transitional or short term linkages and organizational processes that might be required as well as the longer term arrangements and processes that are planned.

**Part A: Transitional/Short-Term Linkage Arrangements.**

- Linkages and organizational processes among the members and with the secondary referral centre.
- Strategies to ensure access to tertiary/quaternary services.

**Part B: Longer Term Arrangements/Linkages (timeframe)**

- Linkages and organizational processes among the members and with the secondary referral centre.
- Strategies to ensure access to tertiary/quaternary services.

**Section III: Sizing and Siting of Services**

Section III should describe the sizing and siting of acute and non-acute services within the network. Section D of this report provides specific guidelines. The report needs to identify what decisions have been made by the network, in conjunction with the Ministry of Health, regarding the sizing and siting of all services. The MoH will apply the HSRC acute care benchmarks to the secondary hospital (where appropriate) and will work with the networks to apply the non-acute benchmarks.

The network will use the Ministry of Health (MoH) and Ontario Hospital Association (OHA) *Parameters and Benchmarks* to complete the sizing of acute services in the in rural hospitals.

The final siting of services can be summarized by completing the number of beds allocated to each hospital in each category, in the following table format:

**Summary of Network Bed Allocation**

| Hospital | Acute | Subacute | Complex Continuing Care | Rehabilitation | Mental Health | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
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**Section IV: Progress and Plans Regarding Achievement of Tasks/Terms of Reference**

This section should provide details on the Network progress-to-date and the long range plans of the Network regarding the points outlined below:

- Sharing of administration services.
- Sharing of support services.
- Establishing stronger clinical linkages & service clusters within the network.
- Developing standardized approaches to assess the quality of service provided among network members.
- Establishing common methods to monitor/improve utilization of hospital services.
- Developing common credentialling systems (including practice guidelines/clinical protocols).
- Developing mechanisms for peer review among the network's members.
- Development of a common strategic plan that will guide the development of a common operating plan.
- Strategies to address common or shared human resource issues.
- Strategies to address medical staff and other health professional recruitment and retention issues.
- Strategies to identify specific issues related to the practice of medicine in a rural community and a plan to address the identified issues.
- Mechanisms for shared or common health information systems.
- Mechanisms for the identification of new program needs and siting of services to meet the needs.
- Mechanisms to inform the community on program and service changes within the network.
- Strategies for the involvement of the District Health Council(s) and Community Care Access Centre(s) in network planning activities.
- A dispute resolution mechanism.

**Opportunities that may exist by using the hospital infrastructure as a mechanism for:**

- The establishment of multi-disciplinary group practice work teams within the network.
- Enhancement of training/ educational opportunities for the education of health professionals.
- Teleconferencing or distance education initiatives.
- Partnerships with other health providers and organizations in the network to provide a better continuum of care.

***Section V: Specific Network Issues***

Section V should describe particular issues that are a concern of the network. This may include, for example, issues related to delivery of services to specific populations; the role of specialty hospitals located within the network; plans for dealing with particular

health issues specific to the network population; issues related to geography or distance, etc.